



By Kevin Higley, USA TODAY

BENEFITS: George Pfeiffer helps keep Xerox Corp. employees physically fit.

COVER STORY

USA firms shaping up for success

Company-run
exercise
programs
aim to trim
illness and
absenteeism

By Susan Schmidt
Special for USA TODAY

Ten years ago, corporate fitness typically meant a gritty game of paddle ball between a couple of vice presidents in the company gym.

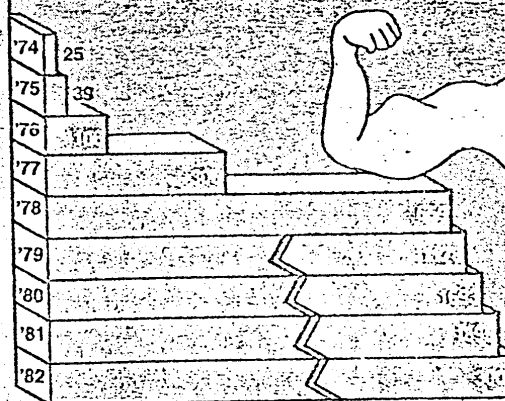
Today that company gym is apt to be called a "wellness center" and is likely to include a jogging track, exercise equipment or a treadmill for cardiovascular testing. It might offer a meditation room or a body-density tank that measures percentage of body fat.

And these days it's not just the top brass who get locker keys or time off for a workout. Executives now find themselves jogging alongside switchboard operators and sharing saunas with security guards.

"The trend in fitness programs today is making all employees at the site eligible to use the program," says William Horton, president of Fitness Systems Inc., a consulting firm. "In the beginning it was kind of a perk; now it's positive health care."

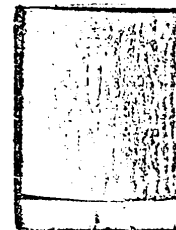
About 10 percent of large companies in the USA now have some kind of fitness program, says Dr. Charles Maxey, assis-

Here's a look at membership in the American Association of Fitness Directors in Business and Industry:



Source: American Association of Fitness Directors in Business and Industry

By Karen Loeb, USA TODAY



COVER STORY

Keeping workers happy

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tant dean of the University of Southern California business school, who recently completed an intensive study of corporate health programs. For example:

■ Kimberly-Clark Corp. in Neenah, Wis., opened its \$2.5 million health and fitness center to 2,000 hourly employees, many of them mill workers, three years ago. White-collar employees have had use of the center — complete with pool, saunas, whirlpool, track, exercise room and a staff of 40 — since 1977. The company recently opened it to spouses, children and retired employees.

■ Several thousand Tenneco Corp. employees in Houston are taking part in free stress management, exercise and computer-monitored nutrition programs in the company's new \$11 million fitness center. Tenneco provides everything from racquetball shorts to towels in the steam room. The new \$2.2 million dining complex next door features dietetic dishes labeled with calorie content.

■ Employees and their families at International Business Machines Corp. headquarters in suburban Armonk, N.Y., can choose between the company's free fitness program and outside classes, for which IBM will pay part of the cost.

Corporate fitness programs long have been a fixture in Germany, Japan and Sweden. They began catching on in this country in the early 1970s as companies decided that paying for an exercise program was less costly than losing top executives to heart attacks.

The past five years have seen a growth of such programs in the USA as promoters have pushed corporate fitness to cut health insurance costs and employee absenteeism and boost morale.

Advocates like York Onnen, program developer for the President's Council on Physical Fitness and Sports, note that the most common and costly ailments in industry — heart attacks and low back pain — are preventable through exercise.

The growth of corporate fitness can be measured by the lengthening membership list of the American Association of Fitness Directors in Business and Industry. It had 25 members in 1974; today it has more than 3,000.

Still, fitness programs have not caught on in the USA the way they have overseas. One reason is the state of the economy. Union Carbide Corp. in Danbury, Conn., for example, has put the opening of its new facilities on hold indefinitely.

Many USA corporations have been reluctant to invest in fitness programs because there is little research validating their cost-effectiveness. "Lots of companies are not getting on the bandwagon because they don't have hard data, and that's not going to come for a long time," says George Pfeiffer, president of the fitness directors association and fitness di-

rector at Xerox Corp. in Rochester, N.Y. Maxey's study found that only 8 percent of companies with programs are monitoring benefits, and only one in four has looked at the cost-effectiveness of their fitness plans.

One such company is New York Telephone Co., which spends \$10 million a year on health and fitness for its 80,000 employees. It estimates the program has resulted in an immediate yearly saving of \$2.5 million because of reduced absenteeism and treatment costs. Dr. Wood Loring, company fitness director, says his program is geared to helping employees who face the greatest risk: those with heart, lung or back problems; those under great stress; and those with "Type A" personalities — workaholics who have a hard time either controlling anger or letting it out.

Loring's program offers employees a variety of exotic-sounding "wellness activities." There are "semi-automated meditation" courses in which an employee learns to meditate by watching a tape, then fine-tunes it in a group setting. Stress management classes will be augmented soon with courses in anger management, he adds.

Pfeiffer and other experts say the real cost benefits of employee fitness can be measured only over years: If immediate cost savings were the measure of success, he said, "99.9 percent of the programs would have been eliminated already."

One study that is cited frequently by fitness directors was done by Dr. Roy Shephard of the University of Toronto, who monitored two groups of insurance company employees over a two-year period. Shephard found that the group that participated in a company fitness program reduced its absentee rate by 22 percent and cut its health costs by an average of \$233 per employee.

But one study probably is not enough to convince a skeptical chief executive officer to invest in a fitness program. So it's not surprising that companies that do have elaborate programs almost universally have a health enthusiast at the helm — a president or CEO who doesn't need convincing.

As Horton observes about selling his Fitness Systems program to CEOs: "There's nothing that conclusive — you show him all the data, but in his heart, he's got to believe it's right."

Companies with sophisticated fitness programs are finding some immediate side benefits. A sleek new gym can be a big draw in recruitment. "People all over Houston are saying, 'How can we get to work for Tenneco?'" says company fitness director Mark Landgreen.

Additionally, Shephard's Canadian study showed job turnover among employees participating in the fitness program was 1.5 percent, compared with a rate of 15 percent among non-participating employees.

